Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Currently Amended) A method of target pricing a value comprising the steps of:

A computer automatically pricing the value using list price data in an electronically stored product model;

the computer automatically costing the value using cost data in the product model;

the computer automatically determining an equivalent competitor net price for the value using an electronically stored competitor net price model;

the computer [[computerized]] processing of said value pricing, said value costing, and said equivalent competitor net price to calculate an optimal winning value as a function of price using the parameters from an electronically stored market response model; and

the computer [[computerized]] processing of said optimal winning value to determine a target price for the value.

2. (Currently Amended) The method of claim 1, further including the step of **the computer** [[computerized]] processing of the target price to calculate the

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benefits of the target pricing method in comparison to a pre-existing pricing approach using an electronically stored benefits model.

3.   (Currently Amended)   The method of claim 1, wherein the step of **the computer** [[computerized]] processing of said optimal winning value to determine a target price comprises processing of said optimal winning value using an electronically stored optimization model that maximizes expected contribution for the value.

4.   (Currently Amended)   The method of claim 1, further including the step of **the computer** automatically comparing the equivalent competitor net price to a target range of prices and overriding the equivalent competitor net price with one of said target range prices if the calculated competitor net price falls outside the target range.

5.   (Currently Amended)   The method of claim 1, wherein the electronically stored product and competitor price models are n-dimensional with stored data reflective of at least price and cost, and **where each of** the steps of **the computer** [[computerized]] automatically pricing the value, costing the value, and determining an equivalent competitor net price **comprises** [[comprise]] an iterative linear interpolation of the stored data.

6.   (Currently Amended)   The method of claim 1, further including the step of **the computer** automatically calculating a target range of prices for the value.

7.   (Currently Amended)   A process of target pricing a value, comprising the steps of:

a computer automatically pricing the value using stored list prices in an electronically stored product model;

the computer automatically costing the value using stored costs in the product model;

the computer automatically determining an equivalent competitor net price for the value using an electronically stored competitor net price model;

the computer [[computerized]] processing of said value pricing, said value costing, and said equivalent competitor net price to calculate a probability of winning the value as a function of price using parameters from an electronically stored market response model; and

the computer [[computerized]] processing of said probability of winning to calculate a target price for the value that maximizes expected contribution using an electronically stored optimization model that determines competitive response to any potential price for the value.

8.   (Currently Amended)   The process of claim 7, further including the step of **the computer** [[computerized]] processing of the target price to calculate one or more benefits of the target pricing process in comparison to a pre-existing pricing approach.

9.   (Currently Amended)   The process of claim 7, wherein the electronically stored product and competitor price models are n-dimensional with stored data reflective of at least price and cost, and **wherein each of** the steps of **the computer** automatically pricing the value, costing the value, and determining an equivalent competitor net price **comprises** [[comprise]] iterative linear interpolations of the stored data.

10.   (Currently Amended)   The process of claim 7, wherein the step of **the computer** determining calculating an equivalent competitor net price further includes the steps of:

    the computer automatically retrieving a reference price from a the product model for a specific value; and

    the computer automatically applying an electronically stored discounting model to the reference price to determine a competitor net price for the specific value.

11.   (Currently Amended)   The process of claim 10, further including the step

of **the computer** automatically comparing the equivalent competitor net price to a

predetermined range of prices and overriding the equivalent competitor net price

with one of said target range prices if the calculated competitor net price falls

outside the predetermined range.

12   (Currently Amended)   The process of claim 7, wherein the electronically

stored market response model includes coefficients for market response predictors

based upon historical data, and for a specific value, the step of **the computer**

[[computerized]] processing to calculate the probability of winning includes the

steps of:

      the computer automatically evaluating price-independent predictors; and

      the computer automatically generating a market response curve from

which an estimated probability of winning is calculated.

13.   (Currently Amended)   The process of claim 12, wherein the step of **the**

computer automatically evaluating the price-independent predictors is comprises

the computer automatically evaluating price independent predictors for at least a

customer, a order, and a product.

14. (Currently Amended)   The process of claim 12, further including the step

of automatically evaluating static and variable price-independent predictors.

15. (Currently Amended)   The process of claim **8** [[7]], wherein the step of step

of **the computer** [[computerized]] processing of the target price to calculate one

or more benefits of the target pricing process includes the steps of:

    the computer automatically calculating a target price value using a pre-

existing pricing approach; and

    the computer automatically comparing the target price value from the pre-

existing pricing approach to a market response curve to determine the probability of

a successful bid with the pre-existing pricing approach.

16. (Currently Amended)   The process of claim 15, wherein the step of **the**

computer automatically calculating a target price bid using pre-existing pricing

approach is a step selected from the group of:

    the computer automatically discounting a list price from the price model;

    the computer automatically adding a predetermined amount to the cost for

the value; and

    the computer automatically matching a historic rate for the specific value.

17.   (Currently Amended)   The process of claim 7, further comprising the steps of:

the computer automatically determining the applicability of one or more strategic objectives to the calculated target price;

the computer automatically calculating a target range of prices that is constrained by one or more of said strategic objectives; and

when performing the step of the computer [[computerized]] processing of said probability of winning to calculate a target price, the computer automatically obtaining a target price that is within the target range.

18.   (Currently Amended)   The process of claim 17, wherein the step of the computer automatically determining the applicability of on or more strategic objectives is a step selected from the group of:

the computer obtaining a pre-determined maximum or minimum margin on the value; and

the computer obtaining a pre-determined maximum or minimum success rate on the value.

19.   (Currently Amended)   The process of claim 7, further including the step of the computer automatically calculating a target range for the value.

20.   (Currently Amended)   The process of claim 19, wherein the step of **the computer** automatically calculating a target range is a step selected from the group of:

    the computer automatically calculating a target range from a maximum expected contribution; and

    the computer automatically calculating a target range based upon an optimum target price.

21.   (Currently Amended)   A method of target pricing a bid, comprising the steps of:

    a pricing step for **a computer** automatically pricing the bid using stored list prices in an electronically stored product model;

    a costing step for **the computer** automatically costing the bid using stored costs in the product model.

    a competitor net price determination step for **the computer** automatically determining an equivalent competitor net price for the bid using an electronically stored competitor net price model;

    a bid-winning probability calculation step for **the computer** [[computerized]] processing of said bid pricing, said bid costing, and said equivalent competitor net price to automatically calculate the probability of winning

the bid as a function of price using parameters from an electronically stored market

response model; and

a target price calculation step for **the computer** [[computerized]] processing

of said probability of winning to automatically calculate a target price for the bid

that maximizes expected contribution using an electronically stored optimization

model that automatically determines competitive response to any potential bid.

22.   (Currently Amended)   The method of claim 21, further including a target

pricing benefit calculation step for **the computer** [[computerized]] calculating of

one or more benefits of the target pricing method in comparison to a pre-existing

pricing approach.

23.   (Currently Amended)   The method of claim 21, wherein the electronically

stored product model and the electronically stored competitor price model are n-

dimensional with stored data reflective of at least price and cost, and **wherein**

each of the pricing step, the costing step, and competitor net price determining

step **is** [[are]] performed by iterative lines interpolation of the stored data.

24.   (Currently Amended)   The method of claim 21, wherein the competitor net

price calculation step further includes the steps of:

a price retrieving step for **the computer** automatically retrieving a price from the product model for a specific bid; and

a discounting step for **the computer** automatically applying a discounting model to the price to determine a competitor net price for the specific bid.

25. (Currently Amended) The method of claim 24, further including an overriding step for **the computer** automatically overriding the calculated equivalent competitor net price with a prespecified competitor net price if the calculated competitor net price falls outside a predetermined range.

26. (Currently Amended) The method of claim 21, wherein the market response model includes coefficients for market response predictors based upon historical data, and for a specific bid, the bid-winning probability calculation step includes the steps of:

an evaluation step for **the computer** automatically evaluating price-independent predictors; and

a market response curve generation step for **the computer** automatically generating a market response curve from which an estimated probability of winning a bid is automatically calculated.

27. (Currently Amended) The method of claim 26, wherein the evaluation step [[is]] **comprises the computer** automatically evaluating price independent predictors for a customer, a order, and a product.

28. (Currently Amended) The method of claim 26, further including a second evaluation step for **the computer** automatically evaluating static and variable price-independent predictors.

29. (Currently Amended) The method of claim 22, wherein the target pricing benefit calculation step includes the steps of:

a target price retrieval step for **the computer** automatically obtaining the a proposed target price for the specific bid;

a pre-existing bid price calculation step for **the computer** automatically calculating a bid price using a pre-existing pricing approach; and

a pre-existing bid success determination step for **the computer** automatically comparing the specific bid from the pre-existing pricing approach to a market response curve to determine a probability of a successful bid with the pre-existing pricing approach.

30. (Currently Amended)   The method of claim 29, wherein the pre-existing

bid price calculation step for **the computer** automatically calculating a target price

bid using a pre-existing pricing approach is a step selected from the group of:

> **the computer** automatically discounting a list price from the price model;

> **the computer** automatically adding a predetermined amount to the cost for

the bid; and

> **the computer** automatically matching a historic rate for the specific bid.

31. (Currently Amended)   The method of claim 21, further comprising the

steps of:

> a contract target bid price calculation step for **the computer** automatically

calculating a specific target bid price for a performance of a contract;

> a strategic object determination step for **the computer** automatically

determining applicability of one or more strategic objectives to the target bid price;

> a strategic object constraint calculation step for **the computer** automatically

calculating a target range for the target bid price that is constrained by one or more

said strategic objectives; and

> a constrained target price determination step for **the computer**

automatically obtaining a target price that is within the target range.

32.   (Currently Amended)   The method of claim 31, wherein the strategic

objective determination step is selected from the group of:

a margin determination step for **the computer** automatically obtaining a

pre-determined maximum or minimum margin on the bid; and

a success rate determination step for **the computer** automatically obtaining

a pre-determined maximum or minimum success rate on the bid.

33.   (Currently Amended)   The method of claim 21, further including a target

range calculation step for **the computer** automatically calculating a target range

for the bid.

34.   (Currently Amended)   The method of claim 33, wherein the target range

calculation step is a step selected from the group of:

a contribution calculation step for **the computer** automatically calculating a

target range from the maximum expected contribution; and

an optimum target range calculation step for **the computer** automatically

calculating a target range based upon the optimum target price.

35.   (Previously Presented)   The method of claim 1, wherein the market
response model calculates the probability of winning with the value is determined
by the following equation:

$$\text{probability of winning} = \frac{1}{1 + \sum_{j \in J} e^{k_j + m_j}}$$

wherein, for J competitors, k_j is a sum of price-independent terms for competitor j and m_j is a sum of price-dependent terms for the competitor j.

36.   (Previously Presented)   The process of claim 7, wherein the market response model calculates the probability of winning with the value is determined by the following equation:

$$\text{probability of winning} = \frac{1}{1 + \sum_{j \in J} e^{k_j + m_j}}$$

wherein, for J competitors, k_j is a sum of price-independent terms for competitor j and m_j is a sum of price-dependent terms for the competitor j.

37.   (Previously Presented)   The method of claim 21, wherein the a bid-winning probability calculation step uses the following equation:

$$\text{probability of winning} = \frac{1}{1 + \sum_{j \in J} e^{k_j + m_j}}$$

wherein, for J competitors, k_j is a sum of price-independent terms for competitor j and m_j is a sum of price-dependent terms for the competitor j.